

funds available nationally for the competitive PDM program will progress to the National Evaluation phase. FEMA will also include the two highest-scoring sub-applications submitted by each State and the two highest scoring sub-applications from Federally recognized Indian Tribal government Applicants in the National Evaluation, if not included in the 150 percent, to ensure a geographic spread of the applications considered. FEMA also may include additional sub-applications that are primarily focused on the National priority to address NFIP repetitive flood loss properties among the sub-applications that progress to the National Evaluation.

National Evaluation. National panels, chaired by FEMA and composed of FEMA headquarters and regional staff, other Federal agency staff, and State representatives, will convene to evaluate the proposals on the basis of additional predetermined qualitative factors to calculate a National Evaluation Score. Mitigation planning activities will be scored separately from mitigation projects.

- Evaluation factors for competitive mitigation planning activities, listed in order of importance with the same importance given to numbers 7 and 8, are:

- (1) Feasibility of project methodology and outcome;

- (2) Implementation involves reasonable timeline and expectations;

- (3) Sufficient staff and resources to implement;

- (4) Consistency with the National priority to address FEMA-identified targeted NFIP repetitive flood loss properties;

- (5) Community mitigation incentives to include tax credits, waiver of building permit fees, and building codes;

- (6) Leverages State and local community involvement through partnerships;

- (7) Identifies appropriate outreach activities that advance mitigation;

- (8) Serves as a model for other communities;

- (9) Innovation and creativity used as part of the best available options; and,

- (10) National Ranking score.

- Evaluation factors for mitigation projects, listed in order of importance with the same importance given to numbers 9 and 10, are:

- (1) Feasibility of project methodology and outcome;

- (2) Implementation involves reasonable timeline and expectations;

- (3) Sufficient staff and resources to implement;

- (4) Consistency with the National priority to reduce NFIP repetitive flood

loss properties; Federal laws and Executive Orders to include National Environmental Policy Act, National Historic Preservation Act, Clean Water Act, Floodplain Management, and Seismic Safety of Federal Buildings; and Federal programs such as American Heritage Rivers Initiative, SBA Mitigation Loan Program and EPA Watershed Initiative;

- (5) Community mitigation incentives to include tax credits, waiver of building permit fees, and building codes;

- (6) Whether the project protects critical facilities;

- (7) Leverages State and local community involvement through partnerships;

- (8) Serves as a model for other communities;

- (9) Offers durable financial and social benefits;

- (10) Identifies appropriate outreach activities that advance mitigation;

- (11) Innovation and creativity used as part of the best available options; and,

- (12) National Ranking Score.

Selection/Award. For FY 2003 PDM competitive funds, awards will be governed by Consolidated Appropriations Resolution, Pub. L. 108-7, section 203 of the Stafford Act, as amended by section 102 of the DMA, this notice, and program guidance, which will be made available to the public on the FEMA Internet site: <http://www.fema.gov/fima/pdm.shtm>.

The Headquarters Approving Federal Official shall consider the National Evaluation Score, any comments and recommendations from the independent reviewers, the National priority, and other pertinent information to determine which sub-applications to approve. After the sub-applications are selected, FEMA Regional offices will work with Applicants whose sub-applications are selected to implement the grant award.

Environmental/Historic Preservation Review Process

FEMA has determined, in accordance with 44 CFR 10.8(d)(2)(iii), that mitigation planning activities have no impact on the environment and will require no further environmental or historic preservation review. However, mitigation projects will require environmental/historic preservation review. Construction type activities usually require more extensive review, or even an environmental assessment with alternatives addressed and/or historic preservation consultation. For selected mitigation projects that require any level of environmental/historic preservation review, FEMA will not

award the grant and the Applicant may not initiate construction until FEMA has completed its review. FEMA will complete the environmental and historic preservation review with the assistance of both the Applicant and the Sub-applicant.

If, after review of the responses to the established environmental/historic questions, supporting documentation, and the consultations with regulatory/resource agencies, FEMA determines that certain compliance measures are required to address the environmental/historic impacts of a selected project, FEMA will notify the Applicant. The Applicant or Sub-applicant may determine whether or not to accept the grant award based on the estimated additional cost of the compliance measures. The amount of the Federal share will not be increased to cover any additional costs. Therefore, it is essential that Applicants and Sub-applicants include costs associated with any anticipated environmental/historic preservation compliance measures or alternatives identified through the development of the environmental/historic preservation documentation in the project budget at the time of application submission.

Reconsideration

At its discretion, FEMA may review a decision where there is an indication of material technical or procedural error that influenced our decision. Requests for reconsideration based upon technical or procedural error should be directed to the Regional Director within 60 days of receiving notice of our decision. The Regional Director will analyze the reconsideration request and make a recommendation to the Director of the Mitigation Division at Headquarters or his designee.

Reporting Requirements

The following reports are required from Applicants that are awarded PDM competitive grants (Grantees):

- **Federal Cash Transaction Reports.** If the Grantee uses the U.S. Department of Health and Human Services (HHS) Payment Management System-SMARTLINK, the Grantee shall submit a copy of the PMS 272 Cash Transaction Report submitted to the HHS) to FEMA.

- **Financial Status Reports.** The Grantee shall submit Financial Status Reports, SF 269 or FF 20-10, to the FEMA regional office within 30 days from the end of the first federal quarter following the initial grant award. The Regional Director may waive this initial report. The Grantee shall submit quarterly financial status reports thereafter until the grant ends. Reports